

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)	
)	
Telecommunications Carriers Eligible for Universal Service Support)	WC Docket No. 09-197
)	
SHOIT, Inc.)	
)	
Petition for Designation as a Lifeline Broadband Provider)	
)	

**PETITION OF SHOIT, INC. FOR DESIGNATION AS A
LIFELINE BROADBAND PROVIDER ELIGIBLE TELECOMMUNICATIONS
CARRIER**

I. INTRODUCTION

SHOIT, Inc. (“SHOIT” or “the Company”), pursuant to Section 214(e)(6) of the Communications Act of 1934, as amended (“Act”),¹ and Sections 54.201 and 54.202 of the Commission’s rules,² by its undersigned counsel, respectfully submits this Petition for Designation as a Lifeline Broadband Provider Eligible Telecommunications Carrier (“LBP ETC”) for the sole purpose of qualifying for Lifeline support for the provision of broadband internet access service (“BIAS”) in the non-tribal areas in all fifty (50) states and the District of Columbia (the “Designated Service Area”).³ Designation of SHOIT as a LBP ETC will further the Commission’s overarching policy goals of “ensur[ing] the availability of broadband service for low-income

¹ 47 U.S.C. § 214(e)(6).

² 47 C.F.R. §§ 54.201, 54.202.

³ See *Wireline Competition Bureau Provides Guidance Regarding Designation as a Lifeline Broadband Provider and Lifeline Broadband Minimum Service Standards*, WC Docket No 11-42 et al., Public Notice, DA 16-1118, ¶ 11 (WCB Sept. 30, 2016) (“LBP Public Notice”).

Americans,”⁴ and “encourag[ing] market entry and increas[ing] competition among Lifeline providers.”⁵

Pursuant to the Commission’s *2016 Lifeline Modernization Order*,⁶ as discussed in more detail below, SHOIT satisfies the requirements for designation as an LBP ETC and is able and prepared to offer Lifeline-supported BIAS service throughout the Designated Service Area. SHOIT has a unique offering in that it provides BIAS service coupled with a unique mobile application designed to assist the chronically ill in managing their challenging health conditions. The BIAS connectivity that SHOIT plans to provide will permit the mobile application to walk the consumer through a daily healthcare routine with reminders to take medications, attend doctors’ appointments, and complete other essential tasks as directed by healthcare providers to best manage their health. The mobile application also generates critical pieces of data that are passed to key stake holders in the patients’ circle of care to permit care givers to intervene when necessary to best support and promote the patient’s healthcare outcomes. As a prospective LBP ETC, SHOIT seeks to assist Lifeline-eligible individuals with health conditions to access broadband connectivity to assist them in best managing their health.

Accordingly, SHOIT is prepared to offer wireless BIAS service, using the network of a reliable underlying nationwide facilities-based carrier, to qualifying low-income households in the Designated Service Area upon designation as a LBP ETC. Grant of SHOIT’s request will clearly promote the public interest and particularly the Commission’s primary goal for the newly reformed, BIAS-centric, Lifeline program by expanding “the availability of broadband service for

⁴ See *Lifeline and Link Up Reform and Modernization et al.*, Third Report and Order, Further Report and Order, and Order on Reconsideration, 31 FCC Rcd 3962, 3971, para. 29. (2016) (“*2016 Lifeline Modernization Order*”).

⁵ See *id.* at 4040, para. 217.

⁶ *Id.* at 4066 para. 282.

low-income Americans.”⁷ Furthermore, grant of SHOIT’s request will particularly benefit the public interest by “shorten[ing] the distance to high-quality...reliable healthcare” which the Commission identified as one of the key benefits of broadband.⁸

II. OVERVIEW

SHOIT is incorporated in the state of Utah with principal offices located at 5496 Clipper Peak Circle, Herriman, UT 84096. SHOIT develops, provides, and facilitates mobile broadband solutions that assist the chronically ill in taking to take their medications and follow a daily health routine to best manage their health. Over the last two years SHOIT’s management team has beta tested mobile solutions with hundreds of individuals with chronic health conditions who currently qualify for Lifeline broadband service. Based on its management team’s experience utilizing mobile solutions to benefit the chronically ill, SHOIT has the knowledge and understanding of the unique difficulties and benefits of provisioning mobile broadband service to an underserved and vulnerable segment of the United States population. Therefore, upon designation as a LBP ETC, by utilizing the network of a reliable nationwide facilities-based carrier to functionally provision BIAS, SHOIT will offer individuals with chronic health conditions the critical ability “to stay in contact with healthcare providers.”⁹ Furthermore, SHOIT’s ability to couple mobile broadband connectivity with a user-friendly, application based, healthcare solution, will further broadband adoption in a segment of the population that can benefit from broadband the most.

Importantly, SHOIT’s management team, which has extensive experience in the healthcare industry, is familiar with, and has handled Medicaid benefits administration. Consequently, the SHOIT team has a strong foundation to ensure that the Company complies

⁷ See *id.* at 3971, para. 29.

⁸ See *id.* at 3966, para. 12.

⁹ See *id.* at 4142, App. B, para. 2.

with the Commission’s rules and requirements for the Lifeline program, but will continually undergo training to ensure compliance with the Commission’s ever evolving rules and standards.

III. SHOIT MEETS THE REQUIREMENTS FOR LIFELINE BROADBAND PROVIDER ELIGIBLE TELECOMMUNICATIONS CARRIER DESIGNATION

As described below, SHOIT satisfies all of the statutory and regulatory requirements for designation as a LBP ETC in the proposed Designated Service Area, and has provided a discussion of each requirement below.

A. The FCC Has Authority to Grant the Requested Designation

In the *2016 Lifeline Modernization Order*, the Commission created “a unified, streamlined FCC ETC designation process for providers seeking to receive reimbursement for providing BIAS.”¹⁰ The Commission further found that individual state designations for the LBP ETC designation “would thwart federal universal service goals and broadband competition,” and accordingly preempted such state designations.¹¹ SHOIT seeks to provide BIAS service to consumers throughout the proposed Designated Service Area. SHOIT is not subject to state ETC designation jurisdiction, and SHOIT may seek designation as a LBP ETC for the Designated Service Area directly from the Commission.¹²

B. SHOIT Certifies That It Will Comply With the Service Requirements Applicable to Lifeline Support (47 C.F.R. § 54.202(a)(1))

In accordance with 47 C.F.R. § 54.202(a)(1)(i), SHOIT hereby certifies that it will comply with all the service requirements, including all applicable minimum service standards, applicable to Lifeline support under the Commission’s revised rules.¹³ SHOIT will provide Lifeline-supported BIAS service by reselling the services of its underlying facilities-based carrier, and as

¹⁰ *Id.* at para. 239.

¹¹ *Id.* at para. 229.

¹² *Id.* at paras. 229-273.

¹³ 47 C.F.R. § 54.202(a)(1)(i)

described throughout this Petition, SHOIT will couple its unique mobile application with the BIAS service. In order comply with the Commission's minimum service standards, to ensure full functionality of the mobile healthcare application, SHOIT will provide 4G LTE BIAS service throughout its Designated Service Area by reselling the services of a reliable nationwide facilities-based wireless carrier. While SHOIT currently has an agreement with Sprint to serve as its underlying carrier, SHOIT may change or supplement its underlying network providers in the future to ensure its BIAS service continually meets the Commission's standards and expectations.

SHOIT is committed to ensuring continuity of the Lifeline program as its minimum service requirements evolve. As such, SHOIT will provide compliant BIAS service to all qualified low-income consumers throughout its proposed Designated Service Area, even as the minimum service standards for qualifying BIAS are updated annually.¹⁴

C. SHOIT Will Remain Functional in Emergency Situations (47 C.F.R. § 54.202(a)(2))

In accordance with 47 C.F.R. § 54.202(a)(2), SHOIT commits to remaining functional in emergency situations, and certifies that the underlying network over which its BIAS service is provided is capable of remaining functional in such situations.¹⁵ As noted above, SHOIT will utilize Sprint's network to provide its Lifeline-supported BIAS service. Sprint is a national facilities-based carrier that has the capacity to remain functional in emergency situations, maintaining a reasonable amount of back-up power to ensure functionality without an external power source. Additionally, Sprint's network has the ability to reroute traffic around damaged facilities and manage traffic spikes resulting from emergency situations.

¹⁴ See LBP Public Notice.

¹⁵ 47 C.F.R. § 54.202(a)(2); See LBP Public Notice.

D. SHOIT Will Satisfy Applicable Consumer Protection and Service Quality Standards (47 C.F.R. § 54.202(a)(3))

SHOIT commits to continuing compliance with all applicable service quality standards and consumer protection rules.¹⁶ Specifically, SHOIT hereby certifies that it will comply with all applicable state and federal consumer protection and service quality standards, that it understands its consumer protection obligations under the Communications Act and its implementing rules, including but not limited to any applicable rules regarding unjust or unreasonable practices, discrimination, and relevant enforcement provisions in the Act and the Commission's rules, and is prepared to comply with those obligations and any future amendments or additions thereto.¹⁷ Additionally, as a provider of mobile BIAS service, SHOIT commits to comply with the CTIA Consumer Code to ensure that the Company's subscribers receive the highest levels of protection and service.¹⁸

E. SHOIT Is Financially and Technically Capable of Providing Lifeline Service in Compliance with the Commission's Rules (47 C.F.R. § 54.202(a)(4))

SHOIT is financially and technically qualified to provide Lifeline-supported BIAS service in compliance with the Commission's rules, including the program's new minimum service standards, throughout the entire designated service area.¹⁹ SHOIT and its affiliates develop and provide unique services for pharmacies and the patients of its pharmacy affiliate. These services are offered to create new revenue streams or cost savings for pharmacies and consumers through various services to promote better health outcomes. The management team shared by SHOIT and its affiliates first brought pharmacy services to improve health outcomes to the market in the late

¹⁶ 47 C.F.R. § 54.202(a)(3); *See* LBP Public Notice.

¹⁷ *See* 47 U.S.C. §§ 201, 202, 206-209, 216-217, 222, 225, 251(a)(2), 255, 617, 619; 47 CFR §§ 1.80, 1.701-1.736, 6.3, 6.5, 6.9, 7.1, 7.5, 8.3, 8.5, 8.7, 8.9, 8.12-8.17, 14.20(c), 64.604-64.605.

¹⁸ The CTIA Consumer Code is available at <http://www.ctia.org/initiatives/voluntary-guidelines/consumer-code-for-wireless-service>.

¹⁹ 47 C.F.R. § 54.202(a)(4).

1990's when the customers began getting text reminders to take medication via pagers. The team's approach has evolved with the market and continues to be in tune with the needs of people with chronic health conditions and the pharmacies that serve them.

SHOIT has maintained profitability and liquidity through its current portfolio of pharmacy services and will not be reliant on revenue from its Lifeline service offerings.

**F. Terms and Conditions of SHOIT Broadband Internet Access Service Plans
(47 C.F.R. § 54.202(a)(6))**

Upon designation as a LBP ETC, SHOIT plans to offer the following baseline BIAS service offering for its Lifeline subscribers in the proposed Designated Service Area:²⁰

Baseline Service Offering:

- 3G & 4G LTE Service
- Unlimited voice minutes
- Unlimited text messages
- 2 GB data usage allowance
- \$20 out-of-pocket charge to Lifeline-qualified customers after application of subsidy.

While SHOIT's baseline service offering will initially be priced at \$20 to Lifeline-qualified customers, SHOIT will continually evaluate whether it can decrease the cost to the consumer. Furthermore, to increase consumer choice and meet consumer demand, SHOIT offers additional plans with larger data usage allowances for a slightly higher out-of-pocket cost to the consumer. Significantly, all of SHOIT's service offerings offer unlimited voice minutes and text messages.

G. SHOIT Will Advertise the Availability of the Supported Service and the Charges Therefor Through Media Reasonably Calculated to Reach Healthcare-Dependent Lifeline-Eligible Consumers (47 U.S.C. § 214(e)(1)(B); 47 C.F.R. § 54.201(d)(2))

SHOIT commits to advertise the availability and cost of its Lifeline BIAS service through

²⁰ 47 C.F.R. § 54.202(a)(6).

media reasonably calculated to reach chronically ill, Lifeline-eligible, consumers.²¹ SHOIT's advertising will be healthcare focused, and will highlight the many benefits of its unique mobile broadband solutions designed to assist chronically ill individuals with their day-to-day healthcare needs. Furthermore, SHOIT will engage reputable, nationwide pharmacies, to refer qualifying individuals to the Company that may benefit from SHOIT's host of healthcare solutions and services.

SHOIT will comply with the advertising, marketing, and disclosure requirements set forth in 47 C.F.R. § 54.405.²² Specifically, all print and other materials used to describe or enroll its subscribers in the Lifeline service offering will indicate, using easily understood language (1) that SHOIT low-income targeted service is a Lifeline service; (2) that Lifeline is a government assistance program; (3) that the service is non-transferable; (4) that only eligible consumers may enroll in the program; and (5) that the program is limited to one discount per household.

H. SHOIT Will Comply with All Applicable ETC Obligations (47 U.S.C. § 214(e); 47 C.F.R. §§ 54.201, 54.202)

To protect the integrity of the Lifeline program and guard against waste, fraud, and abuse, SHOIT will comply with the Commission's additional ETC obligations outlined in sections 54.201 and 54.202 as well as those contained in subpart E of Part 54 of the rules,²³ specifically including the rules regarding subscriber eligibility verification, certification and recordkeeping, and auditing requirements. With regard to eligibility verification, SHOIT will certify and recertify subscribers' eligibility for the Lifeline program, including verifying and confirming subscribers'

²¹ 47 U.S.C. § 214(e)(1)(B); 47 C.F.R. § 54.201(d)(2). As the *2016 Lifeline Modernization Order* explained, "media of general distribution" is any media reasonably calculated to reach the general public or, for a LBP, the specific audience that makes up the demographic for a particular service offering. For example, for a LBP partnering with a school to offer Lifeline-discounted BIAS to that school's community, 'media of general distribution' may include flyers, newspaper advertisements, or local television advertisements in that school's geographic area."

²² 47 C.F.R. § 54.405.

²³ 47 U.S.C. § 214(e); 47 C.F.R. §§ 54.201, 54.202, 54.400 *et seq.*

eligibility, in full compliance with existing section 54.410 of the Commission's rules until the Commission's new National Verifier has been launched in the states encompassed in the Designated Service Area. Once the National Verifier is launched in the states encompassed by the Designated Service Area, SHOIT will enroll subscribers through the National Verifier pursuant to the new provisions of section 54.410 and in accordance with all enrollment guidance provided by the Commission or USAC.

IV. GRANTING SHOIT'S PETITION FOR DESIGNATION AS A LIFELINE BROADBAND PROVIDER ELIGIBLE TELECOMMUNICATIONS CARRIER WILL SERVE THE PUBLIC INTEREST

Section 54.202(b) of the Commission's rules requires that before granting a petition for ETC designation, the Commission must find that grant of the designation would be in the public interest.²⁴ The Lifeline program serves to further the Act's goals of achieving "[q]uality services" offered at "just, reasonable, and affordable rates" for low-income consumers.²⁵ In finding that broadband is a supported service for purposes of the Lifeline program, the Commission determined that by expanding "the availability of broadband service for low-income Americans,"²⁶ an ETC is inherently acting in the public interest. Designation of SHOIT as a LBP ETC will serve the overall public interest, and will benefit low-income consumers in the Designated Service Area in by provisioning high-quality broadband service at a reasonable cost to Lifeline subscribers.

In particular, SHOIT's commitment to provide Lifeline-supported BIAS service coupled with a unique mobile application designed to assist the chronically ill to manage their challenging health conditions will benefit the public interest by "shorten[ing] the distance to high-

²⁴ 47 C.F.R. § 54.202(b).

²⁵ 47 U.S.C. § 254(b)(1).

²⁶ See *Lifeline and Link Up Reform and Modernization et al.*, WC Docket Nos. 12-23, 11-42, 03-109, CC Docket No. 96-45, Report and Order and Further Notice of Proposed Rulemaking, 27 FCC Rcd 6656, 6673-74, paras. 33-34 (2012) ("2012 Lifeline Reform Order").

quality...reliable healthcare” for all Lifeline-eligible consumers.²⁷ Furthermore, SHOIT understands that both affordable broadband access *and* digital literacy efforts are critical to further advance the Commission’s goal of broadband adoption in low-income communities. To that end, SHOT has developed a user-friendly application designed to effectively engage patients and connect them with their healthcare professionals in an effective and efficient manner. By “interacting with healthcare providers” via SHOIT’s BIAS service and mobile application, Lifeline-eligible consumers will have the ability to take control of their own healthcare regiment and require in-person health services only when necessary.

SHOIT recognizes that our nation’s low-income communities are often the most in need of effective healthcare solutions, and upon designation as a LBP ETC, SHOIT will ensure that “[q]uality services” are offered at “just, reasonable, and affordable rates” for low income consumers in economically distressed communities throughout the Designated Service Area.²⁸

V. ANTI-DRUG ABUSE CERTIFICATION

SHOIT certifies that no party to this Petition is subject to a denial of federal benefits that includes Commission benefits pursuant to Section 5301 of the anti-Drug Abuse Act of 1988, 21 U.S.C. § 862.

VI. CONCLUSION

SHOIT certifies that its Petition for LBP ETC Designation fully satisfies the conditions set forth in the Communications Act, the Commission’s rules pertaining to Lifeline, and the *2016 Lifeline Modernization Order*. Accordingly, SHOIT respectfully requests expeditious approval of its LBP ETC Designation Petition so that SHOIT may provide BIAS service to eligible low-income consumers in the Designated Service Area.

²⁷ See *id.* at 3966, para. 12.

²⁸ 47 U.S.C. § 254(b)(1).

Respectfully submitted,

A handwritten signature in blue ink that reads "Danielle Frappier". The signature is written in a cursive style with a large, stylized 'D' and 'F'.

Danielle Frappier
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Counsel to SHOIT, Inc.

January 6, 2017

CERTIFICATION OF SHOIT, INC.

I, Allan H. Peterson state that I am the President and Chief Executive Officer of SHOIT, Inc. ("Petitioner"); that I am authorized to make this Certification on behalf of Petitioner; that the foregoing filing was prepared under my direction and supervision; and that the statements made in the foregoing filing with respect to Petitioner are true and correct to the best of my knowledge, information, and belief.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 06th day of January, 2017.

A handwritten signature in cursive script, reading "Allan H. Peterson".

Allan H. Peterson
President & CEO
SHOIT, Inc.